



U.S. DEPARTMENT OF **ENERGY**

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FOR IMMEDIATE RELEASE:
Monday, July 6, 2009

Obama Administration Delivers More than \$97 Million for Weatherization Programs in Michigan

Recovery Act funding to expand weatherization assistance programs, create jobs and weatherize more than 33,000 Michigan homes

WASHINGTON – U.S. Department of Energy Secretary Steven Chu today announced that the Department of Energy is providing \$97.3 million under the American Recovery and Reinvestment Act to expand weatherization assistance programs in Michigan. These funds, along with additional funds to be disbursed after the state meets certain Recovery Act milestones, will help the state achieve its goal of weatherizing more than 33,000 homes, lowering energy costs for low-income families that need it, reducing greenhouse gas emissions, and creating green jobs across the state.

Today's announcement includes weatherization funding for a total of seven states: Arkansas, Iowa, Kentucky, Massachusetts, Michigan, Minnesota, and New Hampshire. Across the country, the Department of Energy will deliver more than \$288 million that will help these states achieve their goal of weatherizing more than 91,000 homes.

Michigan is receiving 40 percent of its total Recovery Act weatherization funding today following approval of a comprehensive state plan. This installment adds to the initial 10 percent funding allocation previously awarded to Michigan for training and ramp-up activities. Under the Recovery Act, the state may spend up to 20 percent of the funds to hire and train workers. After demonstrating successful implementation of its plan, the state will receive over \$121 million in additional funding, for a total of more than \$243 million.

"These awards demonstrate the Obama Administration's strong commitment to moving quickly as part of the country's economic recovery -- creating jobs and doing important work for the American people -- while ensuring that taxpayer dollars are spent responsibly," said Secretary Chu. "Today's investments will save money for hard working families, reduce pollution, strengthen local economies and help move America toward a clean energy future."

Michigan will use funding from the Recovery Act to provide weatherization assistance to more than 33,000 homes over the next three years. The Michigan weatherization program, administered by the Department of Human Services, will provide home energy

audits and weatherization activities that will lower energy consumption and utility bills in low-income homes across the state. Each home will receive a unique audit to determine which activities are the most cost effective. Some of the most common weatherization procedures include the repair, insulation, and sealing of ducts and the installation of insulation in walls and attics. Weatherization funds can also be used to install energy efficient compact fluorescent light bulbs and replace energy consuming refrigerators and water heaters.

DOE's Weatherization Assistance Program will be available to families making up to 200 percent of the federal poverty level – or about \$44,000 a year for a family of four. Weatherization projects allow low-income families to save money by making their homes more energy efficient, which results in average savings of 32 percent for heating bills and savings of hundreds of dollars per year on overall energy bills.

The Recovery Act includes a strong commitment to oversight and accountability, while emphasizing the necessity of rapidly awarding funds to help create new jobs and stimulate local economies.

The funding allocations for the Weatherization Assistance Program follow a stage-gate process: on March 12, funding allocations by state were announced and the initial 10 percent of total funding was available to states and territories to support planning and ramp-up activities; comprehensive state applications were due May 12; following DOE reviews for each state, 40 percent allocations are awarded; and the remaining 50% of funds will be released when states meet reporting, oversight, and accountability milestones required by the Recovery Act.

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